

**SECRET****AIR**

DOCUMENT NO. [REDACTED] X  
 NO CHANGE IN CLASS. X  
 NO DECASPIFICATION  
 CLASS. CHANGED TO: TS S 2011  
 APPROVAL DATE: 14/12/61  
 APPROVAL BY: 2011  
 REVIEWER: 037169

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: Chief of Station, [REDACTED]

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- Administrative/Finance 25X1A
- Salary Disbursement Schedule for [REDACTED] and [REDACTED] and Special Expense Disbursement for [REDACTED]

1. Transmitted under separate cover are the documents listed in the subject for appropriate action.

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2. In connection with the Special Expense Disbursement Schedule, you are advised that a check identified by No. 2422, dated 15 August 1956, in the amount of \$1,049.71, has been received from the company involved and transferred to the [REDACTED] account with File Reference [REDACTED]. For your ready information Hal has informed me that this check represents the final disbursement to his personnel under the special arrangements. This item has been the subject of much discussion between Headquarters and Hal's statewide personnel, the outcome of which is briefly stated as follows: (a) Hal's group has with this disbursement lived up to the special agreement for the individuals while at [REDACTED] and (b) Both Hal and [REDACTED] have informed me that the company intends to live up completely to the provisions of their written agreement with each employee, which does not provide for a per diem payment or subsidy.

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3. All contractors were much concerned to hear that we were paying a per diem to contractor type personnel while at [REDACTED] and suggest that this practice be discontinued when conveniently possible and that we live up to our agreement with the company, namely, to provide room and board only. Naturally, it is Headquarters' feeling that the system of disbursing for room and board is our prerogative, and if we decide to effect the disbursement by paying a per diem equal to the cost of board and room only, instead of following the prodigious task of gathering, listing, and maintaining receipts, we are well within our rights to pursue this system. My personal feeling that a good time for effecting this per diem break for contractor type personnel would be when we move from [REDACTED]. We in Headquarters further feel that because of the temporary and most indefinite nature of our stay at [REDACTED] we were well within our rights to effect disbursements to contractor type

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personnel in the exact manner employed, even though our actions may have created far-reaching problems for some of the firms.

4. In relation to the above it is kindly requested that you forward evidence of disbursements effected in connection with my communication dated 3 August 1956, file Reference [REDACTED], as well as the attachment, at an early date as IAI is somewhat concerned over the fact that this data has not been forwarded to IAI in support of contractor records.

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[REDACTED]  
Project Comptroller

Distribution:

- 25X1A      0 & 1 - Addressee  
25X1A      3 - [REDACTED] (Fin)  
                4 - [REDACTED] file  
                5 - Contract SC-56  
                6 - Reading  
                7 - Chrono

25X1A      PCS/DCI [REDACTED] scall September 1956

JAMES A. CUNNINGHAM, JR.  
(Releasing Officer)

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